

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7137

BILL NUMBER: SB 458

NOTE PREPARED: Jan 1, 2007

BILL AMENDED:

SUBJECT: Environmental Civil Penalties.

FIRST AUTHOR: Sen. Dillon

FIRST SPONSOR:

BILL STATUS: As Introduced

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill prohibits the Department of Environmental Management (IDEM) from imposing a civil penalty on a state agency or political subdivision for violating an environmental law if (1) the state agency or political subdivision has commenced substantial steps to correct the violation; and (2) the violation committed by the state agency or political subdivision was not an intentional, willful, or criminal act or a violation of a requirement for which the department has previously issued a notice or warning of violation to the state agency or political subdivision, for this or a prior violation, to correct the violation.

Effective Date: July 1, 2007.

Explanation of State Expenditures: See *Explanation of State Revenues*.

Explanation of State Revenues: The bill prohibits IDEM from imposing civil penalties on state agencies and political subdivisions in certain circumstances. The bill will reduce revenue generated from civil penalties by an indeterminable amount. Civil penalties are deposited in the state General Fund.

Background: IC 13-30-4-1 provides that violators of any provision of environmental management laws, orders, determinations, or permits are liable for a civil penalty not to exceed \$25,000 per day of any violation. IDEM may recover the civil penalty in a civil action commenced in any court with jurisdiction. IDEM may not waive any part of a civil penalty if the violation endangers or causes damage to public health or the environment; is intentional, willful, or criminal; or (3) is of a requirement for which the IDEM has previously issued a notice or warning of violation; or is not corrected within 90 days.

Explanation of Local Expenditures: See *Explanation of State Revenues*.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.